



NEWSLINE

Cargosol team values “Commitment”. The satisfaction in living up to the values can only be experienced.

We appreciate our team for their “Consistent Efficiency” and letting the customers have great experience .

Cargosol Newsline brings you the latest developments in the supply chain industry.



This issue

SEA FREIGHT
PAGE 02

AIR FREIGHT
PAGE 03

TRANSPORTATION
PAGE 03

COVID19 VACCINE
DISTRUBUTION
CHALLENGE
PAGE 04

INDUSTRY SPECIAL
PAGE 05

FOOD FOR THOUGHT
PAGE 05



SEA FREIGHT

CHINA STEPS IN TO REGULATE BOX LINE RATES

- This week, rates soared again. On the transpacific ocean freight is a global Mess. Chinese authorities are set to interfere in pricing and capacity management.
- Discussions are on, refusing to allow carriers to increase the spot rates, from China to US and that their suspended sailings must be reinstated from week 42.



OCEAN CARRIERS SCRAP LOW SULPHUR SURCHARGES

Ocean carriers are officially scrapping the low-sulphur fuel surcharges, introduced last year, to mitigate the impact of the 1st January'20 IMO has levied 0.5% sulphur cap regulations on marine fuel.



CARRIERS PRIORITISE TRANSPACIFIC BOXES OVER EUROPE



Due to the acute equipment shortage in Asia, containers are being prioritized for higher-paying transpacific spot cargo, with most of the

carriers successfully applied peak season surcharges on this route.

SHIPPERS OPT FOR CHINA EUROPE RAIL

- Blanked sailings and soaring air freight rates have pushed more shippers on to rail services, where rates are more stable and transit times faster than sea freight.
- Container traffic by rail from China to Europe via rail grew 34% in the first half of this year, with a 72% rise year on year in June alone.



CONTAINER SHIPPING SEES \$ 2.7 BN PROFIT

- Every line publicly reporting financial results being in the black, the container shipping industry posted a combined profit of \$2.7 bn in the second quarter of 2020.
- According to the research, from liner analyst Sea Intelligence Consulting, the positive results were despite every line experiencing declining revenue and year-on-year volumes.
- These profits is the result of a combination of cost-cutting and higher freight rates – nearly all carriers recorded a higher freight rate compared with the second quarter of 2019.



UK IMPORTERS – CHALLENGES & SHORTAGES

- UK importers facing challenges like port delays, vessels diversions, limited slots to collect containers and one of the biggest problem shortage of haulage availability.
- A number of EU drivers are not working, either because of holidays or quarantine requirements, and the overall pool of drivers has been reduced by many others who were furloughed in lockdown and then got other jobs in retail and e-commerce distribution that pay better.



TRANSPACIFIC RATES HIT NEW HEIGHTS

- Transpacific container shippers are paying more than three times as much as their Asia-North Europe counterparts, as freight rates on the head haul leg from Asia to the west coast North America hit unprecedented highs
- According to new analysis from Alphaliner, after the Shanghai-Los Angeles SCFI spot rate reached a record \$3,758 per teu, North American shippers and forwarders are now paying carriers \$0.64 per nautical mile.
- In contrast, North European importers are paying \$0.19 per nautical mile for a shipment from Shanghai to Antwerp, the lowest of the nine routes covered by the Shanghai Containerised Freight Index.



AIR FREIGHT

IATA UNVEILS ONLINE PLATFORM FOR COVID VACCINE

In preparation for global vaccine delivery, IATA has launched ONE Source, an online platform to align shipping needs with infrastructure capabilities and service providers. This online platform will

- independently verify information, account security and risk analysis data.
- list the latest operational information on airlines, airports, handling facilities, forwarders, shippers and truckers.
- The API platform will be free for all service providers.



EARLY SHIPS FOR XMAS

- Global e-commerce volume forecasted to expand by 33% this year over 2019.
- E-commerce merchants are expected to ship early by sea for the Christmas season to avoid delays due the airfreight capacity bottlenecks caused by the gap between available air cargo capacity and demand.

NEW ALITALIA SET FOR TAKE-OFF AS EU APPROVES €200M BAILOUT



EU authorities have agreed a plan which would see Alitalia get €199.45m of state aid in the form of a direct grant and the new Alitalia could be up and running within a few days

HIGH DEMAND & TIGHT CAPACITY PREDICTED FOR CHINA – AIR CARGO MARKET

- After Apple delayed a product launch, Air freight out of China has seen slow demand thus leaving unexpected capacity in the market.



- In early October '20, ahead of Golden week holiday, the market is expected to gain strength hitting a mini-peak resulting in a continued strong demand and "very tight capacity" after the holiday.

TRANSPORTATION

RAILWAYS TO GREENLIGHT PARCEL CARGOES IN PRIVATE PASSENGER TRAINS



- Indian railways has decided to permit upto 8 tonnes of parcel cargo in each train operated by a private operator.
- The potential private operators had requested for the addition of a extra parcel van the backdrop of plunging passenger traffic which has not been accepted by the Indian railways.



COVID-19 VACCINE

Distribution challenges

Globally, as the Pharma companies gear up, for the rapid delivery of millions of corona virus vaccines around the world, the prime challenge for the logistic solution providers, will be the readiness and preparedness to ship the vaccine cargo from one place to another timely and securely.

As few drugs advance to final stage of clinical trials, Drug makers have been racing to build supply chains by identifying manufacturing sites, sourcing and ordering specialized production equipments.

Generally, the distribution operation—taking drugs from far-flung manufacturing sites to medical teams via warehouses, cargo terminals, airports and final storage points, all in a matter of days—promises to be a logistics high-wire act with risks at every stage. Breakdowns in refrigeration equipment, transportation delays, broken packaging or other mishaps could leave many thousands of doses useless.

Currently, logistic solution providers are heavily investing in giant warehouses with huge cold storage facilities and freezer farms. Refrigerated vehicles will be in high demand with additional lining up and back up equipments with large fleet capacity and several integrated transport facilities.



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[CLICK !\[\]\(3211b5d1d968fc1665909b34f9f16010_img.jpg\) AIR EXPORT - DOCUMENTATION & CUSTOMER SERVICE MUMBAI](#)

[CLICK !\[\]\(6059a5aa8b4ca7bb793408023d6c6e42_img.jpg\) WAREHOUSE - SOLUTION DESIGN EXECUTIVE - MUMBAI](#)



Industry Special

UNION MINISTRY REASSURES THE AUTO SECTOR

The Union Ministry has assured the automobile industry of support from the Government in reviving demand by including steps like education in the repo rates, credit access, lowering of GST rates from 28 to 18% across all vehicle categories and automotive components, an incentive based vehicle scrappage policy and taking concrete steps towards realizing the vision of the Automotive Mission Plan.



AUTO COMPANIES –SLOW GROWTH –EYE FOR DEFENCE SECTOR

- India's automobile companies and parts makers plan to tap opportunities in the defence sector to offset sluggish demand for automobiles in the domestic market amid the coronavirus crisis.
- The companies also want to exploit a government push for increased local manufacturing of defence equipment and a deeper presence of private firms in this strategic sector.



CRITICAL ROAD INFRASTRUCTURE BUILDING TO PUT INDIA ON PAR WITH US, UK IN 2 YEARS

In the coming two years as per the announcement from the Union Road Ministry focus on critical road infrastructure building right from a number of strategic tunnels and bridges to 22 green expressways, is bound to place India in the league of advanced nations like the US, UK and Australia.



MAHARASHTRA FARMERS SEEK BAN ON ONION SEED EXPORT

Farmer bodies from the state of Maharashtra (which accounts for 33% of India's onion production) have asked the Government to ban the export of onion seeds which is currently in shortage due to the crop being affected by the unseasonal rains in January.



Summary of Circulars

You can read the summary of various supply chain circulars here

Sea Import

CLICK

Sea Export

CLICK



Air freight

CLICK

Transport

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Food for Thought

Is Indian Logistic prepared to face the challenge for COVID -19 vaccine distribution?

We would love to hear from you.

Write to us at: care@cargosol.com



Disclaimer

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